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Security Information

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25X1



2 June 1952

General Counsel

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Taxes -



25X1

25X1 1. Mr. [ ] a former Agency employee, has several times lately asked for assistance in straightening out his affairs with Internal Revenue for the period he was with the Agency, September 1948 through the calendar year 1949. In addition to his salary and reimbursement for travel and similar normal items, large sums of cash were passed through [ ] for operational ends. A good many of these turn up in his bank account as cash disbursements and Internal Revenue is not satisfied with his statements. A proper resume of all [ ] transactions on [ ] would, according to [ ] be a long and arduous task. 25X1

25X1 2. It would appear that the quickest way to solve the problem would be to approach the Bureau of Internal Revenue and see if they have specific questions to which we can give answers from our records. The Internal Revenue official handling the case is, according to [ ] Mr. W. J. Weber. Would you please get in touch with Mr. Weber and see if he can specify the information needed to settle the case? If so, we may be able to supply it from Mr. [ ] records or, in the alternative, Mr. [ ] has kept all the checks involved and it may be that Mr. [ ] can sort out these checks to separate official from personal transactions. We are interested only in the period covered by his actual employment. 25X1

25X1 3. It may turn out that Mr. [ ] has claimed deductions for official entertainment which are being disallowed in that they should have been reimbursed. We know that he did spend considerable sums on entertainment related to his duties and that an entertainment allowance for him was discussed at the time. If he has claimed and his claim is disallowed by Internal Revenue, he may assert a claim against the Agency for reimbursement for official entertainment. If you wish to get in touch with Mr. [ ] his telephone number is [ ] 25X1

LAWRENCE R. HOUSTON

OGC/LRH:mls

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